

ASHBY & GEDDES

ATTORNEYS AND COUNSELLORS AT LAW

500 DELAWARE AVENUE

P. O. BOX 1150

WILMINGTON, DELAWARE 19899

TELEPHONE
302-654-1888

FACSIMILE
302-654-2067

May 30, 2007

By E-filing and by Hand

The Honorable Joseph J. Farnan, Jr.
United States District Court
844 N. King Street
Wilmington, DE 19801

Re: *Royal Indemnity Co. v. Pepper Hamilton, et al.*, C.A. No. 05-165
Stanziale v. Pepper Hamilton, et al., C.A. No. 04-1551
Stanziale v. McGladrey & Pullen LLP, C.A. No. 05-72
MBIA Insurance Corp. v. Royal Indemnity Co., C.A. No. 02-1294

Dear Judge Farnan:

We write on behalf of Royal Indemnity Co. ("Royal") in response to the proposed case management order submitted by Pepper Hamilton LLP ("Pepper") in two of the above cases. Royal opposes that proposal for the following reasons, and submits herewith its proposed case management order.

Pepper's proposed case management order allows no period for Royal and the Trustee to submit new expert reports in light of the Court's prior ruling striking three expert reports, as Royal and the Trustee requested in emergency papers filed yesterday. Pepper opposes the submission of new expert reports by Royal.

The schedule Pepper proposes allows Pepper and the other defendants an additional two weeks to file their own expert reports. Ironically, this additional time would only be necessary to respond to new expert reports from plaintiffs, since Pepper has had sufficient time under the current Court case management order to respond to Royal's other expert reports.

By contrast, Royal's proposed case management order submitted herewith allows both Royal and Trustee to file new expert reports by June 15, 2007 in lieu of the stricken expert reports and allows all defendants the same amount of time as the current order to submit their reports (responsive to both the existing expert reports and any new expert reports).

Hon. Joseph J. Farnan, Jr.
May 30, 2007
Page 2

As these cases currently stand, all case management orders in each of the four above cases set forth identical schedules. We would expect, given the high degree of factual and expert overlap among the cases and the coordinated discovery and other proceedings that have occurred to date, that any revised order would apply to all four cases.

Respectfully Submitted,

/s/Philip Trainer, Jr.

Philip Trainer, Jr. (#2788)

cc: counsel of record on attached service list (with enclosures)
181068.1

SERVICE LIST

William H. Sudell, Jr., Esquire
Morris Nichols Arsht & Tunnell
1201 North Market Street
Wilmington, DE 19899-1347

HAND DELIVERY

David E. Wilks, Esquire
Reed Smith LLP
1201 North Market Street, Suite 1500
Wilmington, DE 19801

HAND DELIVERY

Michael R. Lastkowski, Esquire
Christopher M. Winter, Esquire
Duane Morris LLP
1100 North Market Street, Suite 1200
Wilmington, DE 19801

HAND DELIVERY

John W. Shaw, Esquire
Young Conaway Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, DE 19899

HAND DELIVERY

Karen Lee Turner, Esquire
Susan E. Poppiti, Esquire
Eckert Seamans Cherin & Mellott, LLC
300 Delaware Avenue, Suite 1210
Wilmington, DE 19801

HAND DELIVERY

Charlene D. Davis, Esquire
Mary E. Augustine, Esquire
The Bayard Firm
222 Delaware Avenue, Suite 900
Wilmington, DE 19899

HAND DELIVERY

John H. Eickemeyer, Esquire
Jonathan A. Wexler, Esquire
Vedder, Price, Kaufman & Kammholz, P.C.
1633 Broadway, 47th Floor
New York, NY 10019

VIA FEDEX

Charles A. Gillman, Esquire
David Montone, Esquire
David G. Januszewski, Esquire
M. Justin Lubeley, Esquire

VIA FEDEX

Cahill Gordon & Reindel LLP
80 Pine Street
New York, NY 10005-1702

Elizabeth K. Ainslie, Esquire
Schnader Harrison Segal & Lewis LLP
1600 Market Street, Suite 3600
Philadelphia, Pennsylvania 19103

VIA FEDEX

Richard P. Swanson, Esquire
Veronica E. Rendon, Esquire
Jason M. Butler, Esquire
Arnold & Porter LLP
399 Park Avenue
New York, NY 10022-4690

VIA FEDEX

Steven M. Farina, Esquire
Thomas H.L. Selby
Williams & Connolly LLP
725 Twelfth Street, NW.
Washington, DC 20005

VIA FEDEX

Andre G. Castaybert, Esquire
Ronald Rauchberg, Esquire
Steven Obus, Esquire
Proskauer Rose LLP
1585 Broadway
New York, NY 10036-8299

VIA FEDEX

Michael S. Waters, Esquire
Lois H. Goodman, Esquire
McElroy, Deutsch, Mulvaney & Carpenter, LLP
Three Gateway Center
100 Mulberry Street
Newark, NJ 07102-4079

VIA FEDEX

Neil G. Epstein, Esquire
Eckert Seamans Cherin & Mellott, LLC
1515 Market Street, 9th Floor
Philadelphia, PA 19102

VIA FEDEX

Andrew N. Yao
107 Leighton Drive
Bryn Mawr, PA 19010

U.S. MAIL